

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

JOANN INC., *et al.*,¹

Debtors.

)
) Chapter 11

)
) Case No. 25-10068 (ARP)

)
) (Jointly Administered)

)
) Re: Docket No. 17, 317

)
) Hearing Date: Feb. 11, 2025 at 2:00 p.m. (ET)

)
) Obj. Deadline: Feb. 7, 2025 at Noon (ET) (as
) extended)

**LIMITED OBJECTION OF GC AMBASSADOR COURTYARD LLC, MP ELKO,
LLC, AND MGP XII SUNRISE VILLAGE, LLC TO MOTION OF DEBTORS FOR
ENTRY OF AN ORDER (I) APPROVING BIDDING (II) SCHEDULING
CERTAIN DATES AND DEADLINES WITH RESPECT THERETO,
(III) APPROVING THE FORM AND MANNER OF NOTICE THEREOF,
(IV) APPROVING THE STALKING HORSE AGREEMENT, (V) ESTABLISHING
NOTICE AND PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF
CONTRACTS AND LEASES, (VI) AUTHORIZING THE ASSUMPTION AND
ASSIGNMENT OF ASSUMED CONTRACTS AND LEASES, (VII) APPROVING
THE SALE OF ASSETS, AND (VIII) GRANTING RELATED RELIEF**

GC Ambassador Courtyard LLC, MP Elko, LLC, and MGP XII Sunrise Village, LLC (collectively, the “Landlords”), by and through its undersigned counsel, hereby files this limited objection (the “Objection/Joinder”) to *Motion of Debtors for Entry of an Order (I) Approving Bidding (II) Scheduling Certain Cates and Deadlines with Respect Thereto, (III) Approving the Form and Manner of Notice Thereof, (IV) Approving the Stalking Horse Agreement, (V) Establishing Notice and Procedures for the Assumption and Assignment of Contracts and Leases, (VI) Authorizing the Assumption and Assignment of Assumed Contracts and Leases, (VII) Approving the Sale of Assets, and (VIII) Granting Related Relief* [D.I. 17] (the “Bid Procedures”

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: JOANN Inc. (5540); Needle Holdings LLC (3814); Jo-Ann Stores, LLC (0629); Creative Tech Solutions LLC (6734); Creativebug, LLC (3208); WeaveUp, Inc. (5633); JAS Aviation, LLC (9570); joann.com, LLC (1594); JOANN Ditto Holdings Inc. (9652); Dittopatterns LLC (0452); JOANN Holdings 1, LLC (9030); JOANN Holdings 2, LLC (6408); and Jo-Ann Stores Support Center, Inc. (5027). The Debtors’ mailing address is 5555 Darrow Road, Hudson, Ohio 44236.

Motion”)² and joinder to objections to the Bid Procedures Motion, including the *Objection of ARC CLORLFL001, LLC; ARC NLLKLFL001, LLC; ARC SMWMBFL001, LLC; ARG JAFPTIL001, LLC; ARG MHMORNC001, LLC; ARG OTOWEKY001, LLC; Acadia Realty Limited Partnership; American Fork SC, LLC; BMA JC LLC; Brixmor Operating Partnership LP; CCA-RSSC LLC; EDENS; Federal Realty OP LP; Gallatin Mall Group, L.L.C.; Hutensky Capital Partners, LLC; La Costa Capital Partners; Lancaster Development Company LLC; Marketplace West Partners, LLC; Orem Family Center, LLC; PBA II, LLC; Pride Center Co., LLC; RD Management, LLC; Renaissance Partners I, LLC; Santa Susana GRF2, LLC; Sherman Commons, L.P., Shopping Center Associates, LP; TPP 217 Taylorsville, LLC; The Sterling Organization; UFPTFC, LLC & BBTFCLLC; and, Westford Valley Marketplace, Inc. to Motion of Debtors for Entry of an Order (I) Approving Bidding (II) Scheduling Certain Cates and Deadlines with Respect Thereto, (III) Approving the Form and Manner of Notice Thereof, (IV) Approving the Stalking Horse Agreement, (V) Establishing Notice and Procedures for the Assumption and Assignment of Contracts and Leases, (VI) Authorizing the Assumption and Assignment of Assumed Contracts and Leases, (VII) Approving the Sale of Assets, and (VIII) Granting Related Relief[D.I. 317] (the “Filed Objection”), and respectfully represents as follows:*

BACKGROUND

1. JOANN INC. and certain of its debtor affiliates (collectively, the “Debtors”), filed their voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code on

² Capitalized terms used but not otherwise defined here shall have the meaning ascribed to them in the Bid Procedures Motion and accompanying documents.

January 15, 2025 (the “Petition Date”). The Debtors continue to operate their business and manage their properties as debtors-in-possession pursuant to 11 U.S.C. §§ 1107(a) and 1108.³

2. Landlords are each lessors of nonresidential real property leases, located at (1) Ambassador Row, Lafayette, Louisiana (landlord GC Ambassador Courtyard LLC), (2) Elko Junction, Elko, Nevada (MP Elko, LLC), and (3) Sunrise Village, Citrus Heights, California (MGP XII Sunrise Village, LLC) operated by Debtors as “Joann’s” retail stores. It cannot be seriously disputed that each of Debtors’ leases with Objecting Landlords is for premises in a “shopping center,” as that term is defined in Section 365(b)(3) of the Bankruptcy Code. *See, e.g., In re Joshua Slocum, Ltd.*, 922 F.2d 1081, 1087 (3d Cir. 1990); *In re Three A’s Holdings, LLC*, 364 B.R. 550, 560 (Bankr. D. Del. 2007).

3. On the Petition Date, the Debtors filed the Bid Procedures Motion, seeking, *inter alia*, approval of certain procedures and dates with respect to the sale of substantially all of their assets, including assumption and assignment of leases.

4. The Landlord and Debtors, through counsel, have been in discussions regarding the Bid Procedures Motion and the Landlord’s concerns with respect to same. While the parties did not reach a resolution prior to the objection deadline, the Landlords will continue attempting to resolve its issues prior to the final hearing on the Bid Procedures Motion.

JOINDER AND OBJECTION

5. The Landlords hereby join and incorporates the Filed Objection as if set forth herein, and requests such other and further relief as is just and proper.

³ Unless otherwise specified, all statutory references to “Section” are to 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”).

6. The Landlord hereby joins any other objections filed by the Debtors' landlords or the Official Committee of Unsecured Creditors to the extent such objections are not inconsistent with the relief sought herein.

RESERVATION OF RIGHTS

7. The Landlords reserve their rights to supplement this Objection and make such other and further objections as they deem necessary or appropriate.

WHEREFORE, the Landlord respectfully requests that the Court modify any proposed order granting the Bid Procedures Motion as set forth herein and in the Filed Objection.

Dated: February 7, 2025
Wilmington, Delaware

Respectfully submitted,

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